

County of Los Angeles
DEPARTMENT OF PUBLIC SOCIAL SERVICES

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BRYCE YOKOMIZO
Director

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Chief Deputy



Board of Supervisors
GLORIA MC LINA
First District

YVONNE B. BURKE
Second District

ZEV YAROSLAVSKY
Third District

DON KHABE
Fourth District

MICHAEL D. ANTONIO / ICH
Fifth District

November 15, 2005

TO: Each Supervisor

FROM: Bryce Yokomizo, Director

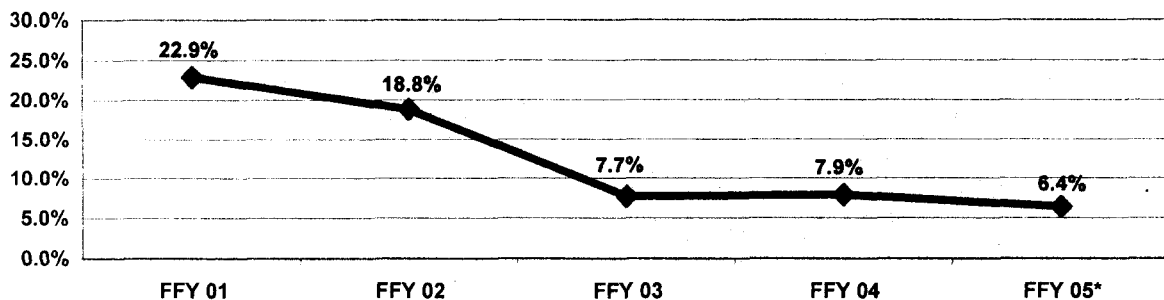
SUBJECT: **BOARD OF SUPERVISORS MOTION: L.A. COUNTY FOOD STAMP
ERROR RATE PROGRESS REPORT (BOARD ORDER #38 – APRIL 24, 2001)**

This is to provide your Board with a quarterly progress report on the Los Angeles County Food Stamp error rate for Federal Fiscal Year (FFY) 2005. Representatives from the Chief Administrative Office (CAO) have reviewed and concur with the information in this report. Representatives from the Auditor-Controller have reviewed and agree with the data included in the Error Rate section of this report.

ERROR RATE

Food Stamp payment accuracy remains a top priority, and our Department continues to make excellent progress in further reducing the Food Stamp error rate. As indicated in the chart below, our cumulative Quality Control (QC) error rate for October 2004 through June 2005, the first nine months of FFY 2005, is 6.37%, continuing a downward trend.

TRENDS IN LOS ANGELES COUNTY ERROR RATE FFY 2001-2005*



Sources: State Quality Control System Reports.

* October 2004 through June 2005

DPSS routinely monitors district office performance through internal payment accuracy audits. District offices continue to be ranked based on these audits (Attachment).

INITIATIVES UNDERWAY

Our Department continues to aggressively pursue corrective action measures to ensure further improvement in the Food stamp error rate. Corrective actions in progress include the following:

- Develop a reference calendar to remind participants on how to report pay frequency.
- Enhance LEADER to generate special alerts to require documentation when changes occur to prevent future Food Stamp errors.
- Modify the current system for handling Quarterly Reports (QR) to include reports on newly approved cases.
- Provide QR refresher course to reinforce and improve knowledge of the QR processing policy to better equip and heighten staff awareness of payment accuracy.
- Implement Standardized Supervisory Case Reviews with a focus on QC error-prone areas.
- Expedite distribution of LEADER Handbook updates.

FOOD STAMP SANCTION/REINVESTMENT

The agreement between the United States Department of Agriculture (USDA) and the California Department of Social Services (CDSS) settling the sanctions for FFYs 2000 through 2002 requires California to reinvest part or all of \$12.5 million held at risk each year for FFYs 2003 through FFY 2007, if an error rate target of 7.4 percent is not met. California's error rate of 7.96% for FFY 2003 exceeded the 7.4% target, but the State came so close to achieving the target, most of the at-risk \$12.5 million has been forgiven. However, California must still reinvest \$1 million in 100% State/County funded error-reduction projects and place an additional \$1 million at risk based on FFY 2005 performance. Los Angeles County's share of the \$1 million reinvestment amount is \$769,271.

In a letter dated September 15, 2005, the CDSS requested counties to submit a Reinvestment Plan for FFY 2003. Our Computer-Assisted Scanning and Tracking (CAST) System was selected as the activity for reinvestment as a result of a recommendation by the State. As the CAST System was originally claimed as a State and federally funded project, Los Angeles County must adjust the CAST claims for Fiscal Year 2004-2005 to cover the \$769,271 to be used for reinvestment with Net County Cost. This will be offset by prior year revenue. CAST represents a major commitment by the Department to long term error rate reduction in the Food Stamp Program.

California may have to reinvest an additional \$1 million for FFY 2003, if the State error rate exceeds 105% of the national average for FFY 2005. The interim State error rate is below the error rate target for FFY 2005. California's error rate for the first eight months of FFY 2005 is 5.73%, just below the 105% of the national average target of 5.76%. However, it is uncertain where the State will finish.

I will continue to keep your Board advised with quarterly reports on the Food Stamp error rate.

BY:ps

Attachment

c: Chief Administrative Officer
County Counsel
Executive Officer, Board of Supervisors
Auditor-Controller

LOS ANGELES COUNTY DEPARTMENT OF PUBLIC SOCIAL SERVICES
Research, Evaluation and Quality Assurance Division
Quality Assurance Program Review
Agency Only Food Stamp Payment Error Rates by District
FFY 2005***

October 2004	November 2004	December 2004	January 2005	February 2005	March 2005	April 2005	May 2005	June 2005	July 2005	Oct.2004- July 2005	Position
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**G/R SPECIALIZED
DISTRICTS**

Civic Center	0.00%	0.79%	0.00%	0.00%	0.76%	0.00%	0.00%	0.51%	0.38%	0.00%	0.24%	1
South Special	0.91%	1.14%	0.34%	0.50%	0.33%	0.16%	0.49%	0.16%	0.17%	0.00%	0.42%	2
Fancho Park	4.65%	1.16%	2.77%	2.22%	0.00%	1.54%	1.59%	0.58%	1.02%	0.00%	1.49%	3
Wilshire Special	7.64%	4.25%	3.13%	2.55%	0.00%	1.20%	0.50%	2.60%	1.17%	1.35%	2.48%	4
Southwest Special	3.67%	3.80%	3.80%	4.75%	1.72%	0.64%	1.73%	2.91%	1.45%	1.00%	2.55%	5
Metro Special	6.53%	4.21%	1.01%	1.04%	4.15%	3.34%	3.57%	3.38%	2.19%	1.87%	3.17%	6

ALL OTHER DISTRICTS

Florence	0.35%	2.05%	3.37%	1.09%	1.78%	2.06%	0.80%	2.98%	0.85%	1.55%	1.70%	1
Paramount	3.05%	5.74%	3.20%	4.89%	4.12%	1.97%	1.58%	2.12%	2.05%	2.24%	3.13%	2
Norwalk	3.12%	2.81%	3.48%	4.18%	3.49%	2.68%	0.84%	3.27%	2.84%	6.39%	3.32%	3
El Monte	2.17%	3.28%	7.65%	5.52%	1.61%	3.10%	1.67%	6.23%	3.69%	1.72%	3.68%	4
South Central	3.67%	4.70%	5.48%	7.68%	4.78%	2.93%	2.49%	1.45%	1.85%	1.47%	3.70%	5
West Los Angeles	4.18%	4.07%	4.09%	1.95%	3.92%	3.84%	3.96%	6.19%	2.59%	4.24%	3.92%	6
San Gabriel Valley	6.04%	0.52%	4.81%	6.81%	5.10%	4.54%	2.91%	1.87%	0.33%	6.38%	3.98%	7
Belvedere	5.22%	10.22%	7.18%	3.75%	3.14%	2.13%	4.90%	1.06%	2.96%	1.41%	4.19%	8
East Valley*	2.20%	5.08%	5.71%	4.14%	4.93%	4.92%	2.58%	6.18%	3.61%	2.76%	4.22%	9
Metro Family	5.24%	4.31%	5.13%	5.05%	5.03%	5.48%	3.41%	4.15%	1.10%	3.85%	4.28%	10
Metro East	3.40%	4.01%	8.44%	4.34%	2.47%	7.65%	5.98%	2.14%	2.95%	2.13%	4.38%	11
Pasadena	6.51%	4.41%	7.53%	6.71%	5.13%	5.45%	2.54%	3.07%	3.11%	2.80%	4.75%	12
Metro North	9.56%	5.81%	7.06%	7.53%	4.03%	2.28%	2.88%	4.05%	3.19%	2.35%	4.86%	13
Exposition Park	6.69%	6.43%	4.51%	5.00%	5.69%	4.38%	5.03%	3.05%	5.79%	2.39%	4.90%	14
Cudahy	5.26%	3.87%	6.90%	7.56%	8.15%	4.91%	3.85%	2.25%	4.93%	3.33%	5.08%**	15
West Valley*	2.90%	6.15%	6.09%	5.74%	5.98%	6.24%	3.73%	3.74%	1.65%	8.22%	5.08%**	15
South Family	5.38%	7.47%	5.95%	5.57%	5.83%	4.14%	6.24%	3.62%	3.62%	4.27%	5.22%	16
Glendale	5.96%	4.04%	8.52%	7.65%	5.15%	5.41%	4.78%	3.80%	3.01%	3.77%	5.26%	17
Compton	7.44%	4.78%	12.69%	5.81%	6.76%	2.06%	4.33%	4.92%	4.70%	4.36%	5.80%	18
Lancaster	4.54%	4.51%	6.72%	5.17%	7.41%	5.97%	4.55%	8.19%	5.22%	5.94%	5.85%**	19
Lincoln Heights	2.94%	4.86%	11.97%	7.28%	5.01%	9.64%	5.65%	1.81%	6.96%	2.23%	5.85%**	19
Pomona	7.21%	2.64%	13.19%	7.92%	4.95%	3.25%	5.72%	13.60%	2.91%	2.35%	6.33%	20
Southwest Family	6.68%	6.83%	11.04%	10.58%	6.11%	5.31%	6.25%	2.54%	5.13%	5.95%	6.71%	21

Total	4.87%	4.65%	6.50%	5.34%	4.52%	3.90%	3.64%	3.93%	3.08%	3.40%	4.39%	
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* Includes Branch Office.

** Districts with the same cumulative error rate are listed in alphabetical order.

*** Preliminary - Second-level disagreements are pending for April through July 2005.